

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT MICHIGAN
SOUTHERN DIVISION

In re

Chapter 9

CITY OF DETROIT, MICHIGAN

Debtor

Case No. 13-53846

Hon. Steven W. Rhodes

REGINALD WILLIAMS
Creditor
43910 Dunham Court
Clinton Township, MI 48038
1 (313) 587-7007

MOTION TO PARTICIPATE IN THE CONFIRMATION HEARING

NOW COMES creditor, REGINALD WILLIAMS (hereinafter "Williams"), by and through himself, and files this, his Motion to Participate in the Confirmation Hearing in the above-referenced case as a witness and to cross-examine other witnesses as appropriate. In support of his Motion Williams would respectfully show unto this Court as follows:

1. That Williams retired from the City of Detroit, Emergency Medical Service and is currently receiving a pension.
2. That Williams rejected the Proposed Changes to pension and the City's plan of adjustment.
3. That Williams received notification that under Alternative A, which was passed of the majority of city employees, that his total estimated amount of annuity savings plan recoupment would be \$60,365.62. Moreover, the document indicates that the monthly recoupment would be \$408.28 for the life of the annuity (see exhibit 1).

4. That assuming the above facts to be true, Williams would like to testify and cross examine creditor in several areas:

- a. That monthly recoupment is not appropriate. RSCD/Annuity interest rates from 6/30/2004 to 6/30/2013 was 6.877% (see exhibit 2). The City proposed a Clawback rate of 5.24% versus a 1.023% (which is the difference between the guaranteed ASF interest rate of 7.90% and what the fund actual made of 6.877%). Thus 4% higher than appropriate thus, Williams seek clarity from city witnesses on their calculations.
- b. That in reference to (a) above, the monthly recoupment is for the life of the annuity; thus, need to clarify with city witnesses on the legal appropriateness of recouping more than the alleged overpayment. Specifically, I am 54 years with a life expectancy of 83; thus I will be forced to pay the recoupment amount of \$408.28 for 348 months which equals \$142,081.44 with no option to paid the \$60,365.62 in full today or pay off early without incurring \$81,715.82 unconscionable penalty. Thus, I need to seek clarity for city witnesses on the legality of that requirement without an individual contract with Williams and the over-estimation of the Clawback terms. As this Court knows, unconscionability means that a term in a contract or something inherent in or about the agreement was so shockingly unfair that the contract simply cannot be allowed to stand as is. The idea here again is to ensure fairness, Williams questions will center around:

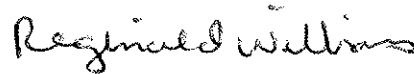
- i. whether one side has grossly unequal bargaining power
- ii. whether one side had difficulty understanding the terms of the agreement (due to the fact in this case no contract existed), or

iii. whether the terms themselves were unfair since this was never individually negotiated.

5. That Williams has not been afforded all documents pertaining to this bankruptcy as a creditor to ascertain whether his questions would be duplicative to this Court and thus should be afforded the opportunity to testify and cross examine the debtor.
6. That my testimony will take 5 minutes and the cross examination of city witness who can speak to the POA Clawback and terms of recoupment should take no more than 15 minutes, which is short in duration given the length of the bankruptcy itself.

WHEREFORE, Williams request pursuant to his original confirmation objection, that this Court allow me to testify and cross examine creditor at the confirmation hearing.

Respectfully Submitted,



REGINALD WILLIAMS
Creditor
43910 Dunham Court
Clinton Township, MI 48038
1 (313) 587-7007

Date: August 18, 2014

EXHIBIT L

ALTERNATIVE A: If both Class 10 (the PFRS Pension Claims) and Class 11 (the GRS Pension Claims) vote to accept the Plan and the Court approves the Plan, the Outside Funding will be contributed to GRS. Under this alternative, your monthly pension payments are estimated to change as follows:

Line 1: Your Current Monthly Pension Is:	\$4,312.19
Line 2: Line 1 multiplied by 0.955 (to show a 4.5% reduction) is:	\$4,118.14
Line 3: Your Estimated Annuity Savings Fund Monthly Recoupment is:***	\$408.28
Line 4: Your New Estimated Monthly Pension Payment (flat payment; no COLAs) is:	\$3,709.86
*** The <u>total</u> Estimated Amount of your Annuity Savings Plan Recoupment is:	\$60,365.62

ALTERNATIVE B: If either Class 10 or Class 11 votes to reject the Plan and the Court approves the Plan, the Outside Funding will not be contributed to GRS. Under this alternative, your monthly pension payments are estimated to change as follows:

Line 1: Your Current Monthly Pension Is:	\$4,312.19
Line 2: Line 1 multiplied by 0.73 (to show a 27% reduction) is:	\$3,147.90
Line 3: Your Estimated Annuity Savings Fund Monthly Recoupment is:***	\$408.28
Line 4: Your New Estimated Monthly Pension Payment (flat payment; no COLAs) is:	\$2,739.62
*** The <u>total</u> Estimated Amount of your Annuity Savings Plan Recoupment is:	\$60,365.62

In addition, if you vote for the Plan *and* the adjusted pension amount you are to receive under the Plan is so low that your total income falls below a certain level, you may be eligible to receive supplemental payments. These additional payments will not be available to higher income retirees.

For more information regarding the calculation of the amount of your allowed claim and your monthly pension payments, please consult with your counsel and/or counsel to the Retiree Committee.

SUBMITTING YOUR BALLOT:

If you were not retired or a surviving beneficiary as of the Pension Record Date, if you did not hold a GRS Pension Claim as of the Pension Record Date, or if you believe for any other reason that you received the wrong ballot, please contact the Balloting Agent immediately at (877) 298-6236 or via email at detroitinfo@kccllc.com.

To have your vote counted, you must complete, sign and return this Ballot in accordance with the voting information and instructions provided below. You must complete your Ballot and return it to the Balloting Agent so that it is actually received by the Voting Deadline.

The Balloting Agent will not accept Ballots received after the Voting Deadline or Ballots delivered by email, fax or any other electronic method. Ballots should not be sent to the City, the Bankruptcy Court or any entity other than the Balloting Agent.



RSCD/Annuity Interest Credits -Annuity Saving Fund(ASF)

Fiscal Year (FY)	Guaranteed ASF Interest Rate on Returns	ASF Interest Bonus*	Annuity Fiscal Year Market Rate of Return	POA Clawback Recoupment Interest rate used	AFS Return Above Guaranteed 7.9	AFS Actual Return for Fiscal year
6/30/2004	7.90%		15.577%	7.9%	7.677%	15.577%
6/30/2005	7.90%	1.340%	9.171%	7.9%	1.271%	9.171%
6/30/2006	7.90%	1.3474%	11.558%	7.9%	3.658%	11.558%
6/30/2007	7.90%	15.0857%	18.938%	7.9%	11.038%	18.938%
6/30/2008	7.90%		-4.327%	0.0%	0.000%	7.90%
6/30/2009	7.90%		-19.670%	0.0%	0.000%	7.90%
6/30/2010	7.90%		4.540%	4.54%	0.000%	7.90%
6/30/2011	7.90%		20.218%	7.9%	12.318%	7.90%
6/30/2012	7.90%		0.529%	0.529%	0.000%	7.90%
6/30/2013	7.90%		12.233%	7.9%	4.333%	7.90%
Average Investment Return		5.924%	6.877%	5.247%	4.030%	10.264%

During the years of 2004 to 2013 there was a overall 6.877% positive return on our investments, why is there a clawback/recoupment?

During the years 2011 our return was 20.218% return, but we only got 7.9% return, who got the 12.318% return left?

Your consent is need to clawback years and the clawback will be for as long as you live.

If the clawback is legal why don't the offer a one time lumpsum? Just do the math

FIGURES DON'T LIE, BUT LIARS DO FIGURE!

Chart revised by DCCAER - Obtain actual version from RSCD columns 1-5